

COMPANY ANNOUNCEMENT

The following is a Company Announcement issued by Calamatta Cuschieri Moneybase Plc (the "Company"), in terms of the Rules of Prospects MTF, the market regulated as a multi-lateral trading facility operated by the Malta Stock Exchange ("Prospects MTF Rules").

Financial Sustainability Forecast

Date: 16th April 2024

Reference: CCF/CA- 79/24

Quote

On 16th April 2024, the Board of Directors of Calamatta Cuschieri Moneybase Plc, considered and approved the Group and Company's audited financial statements for the year ended 31st December 2023. The financial statements are available for viewing on the Company's website at: <https://investors.cc.com.mt/>

The Board of Directors further noted material profit and loss variances between the Group forecasts for the year ended 2023 and the Group's financial statements for the financial year ending 31st December 2023, which were partly a result of the delay in the acquisition of Moneybase Holding Limited - which has now been completed- and also a reduction in administrative costs due to a cost-containment exercise.

Furthermore, the Board of Directors noted certain material balance sheet variances resulting from the delay in the acquisition of Moneybase Holding Limited - now completed- as follows:

- Fair value through profit and loss investments' variance was due to excess cash being invested in short-term liquid investments;*
- Advances to banks and amounts due to customers' variances were due to the higher-than-expected balances held by customers;*
- Retained earnings variance was a result of the higher-than-expected profit for the year.*

The Board of Directors has also reviewed and approved the forecast for 2024 which is annexed to this announcement.

Unquote



Kari Pisani

B.A, LL.D. MSc.

Company Secretary

About Calamatta Cuschieri Moneybase

Calamatta Cuschieri Moneybase also offers a wide spectrum of investment solutions and manages a total of €1.7 Billion in Clients Investment Assets and €1Billion of assets under administration. Calamatta Cuschieri Moneybase was established in 1971 where it pioneered the local financial services industry and has grown from strength to strength with a reputation of offering unbiased and professional investment advice together with innovative technology which are backed by ISO9001 certification on customer care.

FINANCIAL SUSTAINABILITY FORECAST

Summary of Significant Assumptions and Accounting Policies

A. Introduction

The forecast statement of financial position, the forecast statement of profit or loss, and the forecast statement of cash flows (hereafter “the Forecasts”) of the Issuer for the periods ending 31st December 2024 have been prepared to provide financial information for the purposes of the announcement of Financial Sustainability Forecasts. The assumptions set out below are the sole responsibility of the Directors of the Company.

The Forecasts are intended to show a possible outcome based on assumptions relating to anticipated future events which the Directors expect to take place, and on actions which the Directors expect to take. Events and circumstances frequently do not occur as expected, and therefore, actual results may differ materially from those included in the forecast and projected financial information. We draw your attention to the risk factors set out in the Admission Document, which describes the primary risks associated with the business to which the Forecasts relate.

The Forecasts are not intended to and do not provide all the disclosures necessary to give a true and fair view of the financial results, financial position, and cash flows of the Group, in accordance with International Financial Reporting Standards as adopted by the EU, however the Directors have exercised due care and diligence in adopting the assumptions set out below.

These Forecasts were formally approved on 16th April 2024 by the Directors, and the stated assumptions reflect the judgements made by the Directors at that date. The assumptions that the Directors believe are significant to the Forecasts are described in Section B below.

B. Basis of preparation and significant assumptions

Basis of Preparation

The Forecasts show the projected financial performance and position of Calamatta Cuschieri Moneybase plc (formerly CC Finance Group plc) in accordance with International Financial Reporting Standards as adopted by the European Union (“EU-IFRS”) except that, due to the nature of Forecast Financial Information, the Forecasts do not include all the disclosure requirements under EU-IFRS and other laws or securities regulations, including but not limited to the Maltese Companies Act (Cap. 386).

Macro-economic assumptions relating to the environment in which the Group operates which are exclusively outside the influence of the Directors and which underlie the forecasts, are the following:

- The rate of inflation will be in line with historic trends, and*
- The basis and rates of taxation, direct and indirect, will not change materially throughout the period covered by the Forecast Financial Information.*

Other significant assumptions

Other assumptions taken by the Directors, which underlie the Forecasts are the following:

- i. Revenue*
Annual revenue has been projected using 2023 trends as basis with conservative increases in all revenue streams.
- ii. Wages and salaries*
Employee costs have been projected using 2023 as basis with planned increases in staff numbers in line with the group’s growth strategy.

iii. *Other administrative expenses / IT costs*

Administration expenses include marketing, utilities, and professional fees and other general or corporate overheads. These costs are based on historical trends and agreements as adjusted for inflation, which for the purposes of these Forecasts is assumed to stand at 5%.

iv. *Finance costs*

Finance charges include bond interest payable at an interest rate of 4.25% and finance costs on lease agreements in accordance with IFRS 16 and interest payable on bank facilities.

v. *Income tax*

Income tax is composed of current and deferred tax. Current taxation is provided at 35% of chargeable income for the period. Deferred tax is accounted for using the balance sheet liability method in respect of temporary differences arising from differences between the carrying amount of assets and liabilities in the forecasts and the corresponding projected tax bases in the computation of taxable profit.

vi. *Intangible assets / property plant and equipment*

Intangible assets / property plant and equipment have been forecasted based on 2023 net book values less depreciation / amortisation for 2024. This also includes the effect of the Moneybase Holding Limited acquisition.

vii. *Depreciation / Amortisation*

Depreciation is provided on a straight-line basis and at rates intended to write down the cost of the assets or revalued amounts over their expected useful lives. The annual rates used are as follows:

Freehold buildings	-	1% per annum
Improvements to premises	-	10% per annum
Furniture, fittings and other equipment	-	10% - 33% per annum
Motor vehicles	-	20% per annum

Intangible assets with a finite useful life are amortised. Amortisation is charged to profit or loss to write off the cost of intangible assets less any estimated residual value over their estimated useful lives.

viii. *Investment property*

Investment property has been forecasted based on 2023 valuation.

ix. *Fair value through profit and loss investments*

The Fair value through profit and loss investments portfolio has been forecasted based on the 2023 valuation of the portfolio and assuming further contributions.

x. *Working Capital*

The Group's working capital comprises the net impact of trade receivables, inventory and trade payables and is based on historical trends.

xi. *Borrowings*

The projected debt relates to €3.85m bond still in issue, net of deferred bond issue costs.

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	FY24 Forecast ('000s) EUR
Revenue	15,640
Direct costs	(1,362)
Gross margin	14,278
Wages and salaries	(7,263)
IT costs	(1,510)
Other administrative costs	(1,249)
Other income	24
EBITDA	4,280
Depreciation & Amortisation	(1,500)
Interest expense	(210)
Profit before tax	2,570
Tax charge	(513)
Profit for the year total comprehensive income for the year	2,057
Profit for the year attributable to minority shareholder	(140)
Profit for the year attributable to parent	1,917

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	FY24 Forecast (‘000s) EUR
ASSETS	
Non-current assets	
Intangible assets	7,545
Property, plant and equipment	202
Investment Property	306
Right of use asset - Lease	590
Fair value through profit and loss investments	2,367
Loans and receivables	45
Deferred tax asset	1,842
	12,897
Current assets	
Trade and other receivables	3,708
Inventories	17
Cash and cash equivalents	4,053
Advances to bank	64,348
Current tax asset	538
	72,664
Total assets	85,561
LIABILITIES	
Current liabilities	
Trade and other payables	2,540
Lease Liability - current	313
Amounts due to customers	64,348
Current tax liabilities	176
	67,377
Non-current liabilities	
Interest bearing loans and borrowings	3,750
Lease Liability - non-current	405
	4,155
Total liabilities	71,532
Net assets	14,029
EQUITY	
Share capital	2,000
Share award reserve	430
Retained earnings and other equity	10,995
Investor compensation scheme	9
Attributable to equity holders of the parent	13,434
Non-controlling interest	595
Total equity	14,029

CONSOLIDATED STATEMENT OF CASHFLOWS

	FY24 Forecast ('000s) EUR
<hr/>	
Cash flows from operating activities	
Profit before tax	2,570
<i>Adjustments for:</i>	
Depreciation and amortisation	1,499
Amortisation of bond costs	4
Payment of Interest on lease liability	33
Share award expense	226
Interest expense	210
Operating profit before working capital movement	4,542
Movement in trade and other receivables	(17)
Movement in trade and other payables	(168)
Movement in advances to Bank	(38,975)
Movement in amounts due to customers	38,975
Cash flows from operations	4,357
Interest paid	(243)
Income tax paid	(176)
Net cash flows from operating activities	3,938
Cash flows from investing activities	
Purchase of property, plant and equipment and intangibles	(1,284)
Net cash flows from investing activities	(1,284)
Cash flows from financing activities	
Payment of Bond Buy Back	(250)
Dividends Paid	(850)
Payment of principal on leases	(322)
Net cash flows from financing activities	(1,422)
Net movement in cash and cash equivalents	1,232
Cash and cash equivalents at the beginning of the year	2,821
Cash and cash equivalents at the end of the year	4,053

C. Conclusion

The Directors believe that the assumptions on which the Forecasts are based are reasonable. The Directors further believe that, in the absence of unforeseen circumstances outside their control, the working capital available to the Company will be sufficient for the carrying on of its business.